

FILED

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REGISTRAR OF VOTERS

IMPARTIAL ANALYSIS BY CITY ATTORNEY

Measure _____ is submitted to the voters by the City Council of the City of Needles to amend Chapter 20, Article III of the Needles Municipal Code ("City Code") with respect to the City's transient occupancy tax ("TOT").

The City's existing TOT ordinance does not allow for collection of TOT from visitors who stay in short term vacation rental properties. This Measure proposes that the TOT ordinance include short term vacation rental properties by amending the definition of "Commercial Establishments" to include "any home, residential dwelling or structure of any kind, including short term rentals, furnishing lodging space to transient lodgers in exchange for monetary compensation." By making this amendment to the City Code, the City will be able to apply the TOT to short term vacation rentals. The proposed amendment would also increase the TOT from its current rate of 10% to 12% of the room charge, beginning ten days after the election is declared by the City Council.

The City's TOT rate has remained at 10% since 1985. The TOT is paid only by those persons staying at hotels, motels, apartment hotels/motels, trailer courts, recreational vehicle parks, or any other commercial establishment furnishing lodging space in exchange for monetary compensation and, if approved, would include vacation rentals within the City for thirty days or less. It is not paid by property owners within the City.

TOT revenues are collected by the lodging operators from their guests and then paid to the City. The revenues are not designated for any particular purpose and are placed into the City's general fund and used for various general city purposes, including, but not limited to, police and fire protection, youth and senior programs, streets, parks, economic development and City operating expenses. Revenues from the TOT will be subject to the annual audit performed by the City's independent auditor which is reported in the City's Comprehensive Annual Financial Report.

This Measure, if approved by a majority of the voters, would not increase the TOT rate until the election is declared by the City Council, at which time the TOT rate would increase from 10% to 12%.

A "yes" vote is a vote to permit the City Council to impose, by ordinance, an increase in the TOT from the current rate of 10% to 12% and to add the definition of "Commercial Establishments" to the City Code.

A "no" vote is a vote that would not permit the City Council to impose, by ordinance, an increase to the TOT from the current rate of 10% to 12% nor to add the definition of "Commercial Establishments" to the City Code.

/s/ John O. Pinkney, City Attorney, City of Needles

The above statement is an impartial analysis of Measure _____. A full text of the measure is available at <http://www.cityofneedles.com> or contact the City Clerk at ndisc clerk@citlink.net or 760-326-2113 ext 345 and a full text of the measure will be sent to you.

Final Version *Dale Jones*
8-8-14